

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

FREE SPEECH SYSTEMS, LLC,

Debtor.

)
) Chapter 11 (Subchapter V)
)
) Case No. 22-60043 (CML)
)
)
)

**RESPONSE OF THE CONNECTICUT FAMILIES
TO DEBTOR’S REQUEST FOR A STATUS CONFERENCE**

The Connecticut Families¹ submit the following response (this “Response”) to the *Debtor’s Request for A Status Conference Regarding the Scheduling of A Hearing on FSS Plan Confirmation and Conversion* [Docket No. 886] (the “Request for Status Conference”) filed by Free Speech Systems, LLC (“FSS”).

RESPONSE

1. The Connecticut Families file this Response to ensure that all parties are focused on bringing FSS’s chapter 11 case to a close without unnecessary further delay and to correct the record on certain points.

2. The hearings on confirmation of the plans filed in this case, and the chapter 11 case of Alexander E. Jones (“Jones” and, together with FSS, the “Debtors”), have long been scheduled simultaneously to promote efficiency. *See, e.g.*, Docket. 807 (Feb. 9, 2024 order setting plan confirmation hearing for March 25–27 and related pre-trial schedule); Jones Docket No. 595 (Jan. 31, 2024 order setting same confirmation hearing dates and pre-trial schedule).

¹ The “Connecticut Families” are Mark Barden, Jacqueline Barden, Francine Wheeler, David Wheeler, Ian Hockley, Nicole Hockley, Jennifer Hensel, William Aldenberg, William Sherlach, Carlos M. Soto, Donna Soto, Jillian Soto-Marino, Carlee Soto Parisi, Robert Parker, and Erica Ash.

3. In early March, the Connecticut Families agreed to adjourn the Jones confirmation hearing again by two months, from March 25–27 to May 21–22, as a good-faith and final attempt to facilitate a global resolution among the parties. *See* Jones Docket No. 624 (scheduling order).

4. At the same time, the Connecticut Families repeatedly requested that FSS agree to a scheduling order reflecting the same adjournment and revised confirmation hearing dates. Both FSS’s new counsel, and counsel for the Subchapter V Trustee, were copied on this correspondence, and knew of the confirmation hearing date already scheduled in the Jones case.

5. Shortly thereafter, FSS’s new counsel reiterated that FSS’s “overarching concern has been for speed” and that there were “compelling reasons to avoid delay” in the case. Docket No. 836. The Subchapter V Trustee apparently agreed, filing a supplemental statement [Docket No. 862] (the “Supplemental Statement”) on March 11 recommending that the Court set a hearing within thirty (30) days to consider whether the FSS case should be converted to chapter 7. *See* Supplemental Statement, ¶ 1.

6. The Connecticut Families were, therefore, surprised to hear counsel to the Subchapter V Trustee suggest for the first time at the hearing held on March 11, 2024 that FSS’s confirmation hearing may “trail a few days” after Jones’s confirmation hearing. Mar. 11, 2024 Hr’g Tr. 12:18–20. Now, FSS seeks to adjourn the FSS confirmation hearing by more than three weeks due to a purported scheduling conflict by the Subchapter V Trustee (although the Connecticut Families understand that the Trustee’s counsel and all other parties are available to go forward on May 21st and 22nd). As this Court has recognized, the parties simply cannot afford to delay these cases further. *See* Mar. 11, 2024 Hr’g Tr. 17:19–22 (“I’m not slowing this case down one bit. . . . I’m not moving or delaying anything. If it’s you, grab the fire hose

because here we go. I'm just – you know, we're not slowing down one bit. I'm not moving or delaying anything.”).

7. The Connecticut Families believe it is imperative to keep the Debtors' chapter 11 cases on schedule, and that staggering the confirmation hearings is not efficient given the overlap of issues in the two cases (including, for example, any proposed employment contract between Jones and FSS). Nonetheless, the Connecticut Families do not oppose FSS's requested adjournment; *provided* that such delay does not cause further delays in the Jones or FSS cases, including that (a) the Jones confirmation hearing proceeds on May 21–22, as currently scheduled (and as was reconfirmed by the parties, and ordered by the Court, just earlier this week—*see* Jones Docket No. 652); and (b) the FSS adjournment does not prejudice the Connecticut Families' ability to depose Patrick McGill, FSS's Chief Restructuring Officer whose testimony is also relevant to the Jones plan, in advance of the Jones confirmation hearing. To the extent confirmation of the Debtors' plans proceeds on a contested basis, the Connecticut Families will endeavor to avoid duplicative testimony at the hearings as a result of the requested adjournment. Alternatively, the Connecticut Families also remain willing and prepared to proceed with both hearings on May 21–22. The Connecticut Families reserve the right to object to any further adjournment.

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Dated: April 11, 2024

Respectfully submitted,

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Co-Counsel to the Connecticut Families

CERTIFICATE OF SERVICE

I certify that on April 11, 2024, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Ryan E. Chapple
Ryan E. Chapple